

FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 3.18.2010

Wall Street Journal: "SEC on Lehman Oversight: Not Good Enough … U.S. Securities and Exchange Commission Chairman Mary Schapiro on Wednesday acknowledged that the agency's oversight of Lehman Brothers Holdings may have been inadequate during a critical period when the company may have masked its losses." Wall Street Journal: "SEC Tried to Ease Curbs … The Securities and Exchange Commission joined 12 Wall Street firms in seeking to scrap a key portion of a landmark 2003 deal that put strict curbs on stock analysts, a move that could heighten the ongoing debate about a broad overhaul of the financial-regulatory system." Wall Street Journal: "U.S. Ambassador Calls for More Flexibility on Yuan … U.S. Ambassador to China Jon Huntsman on Thursday called on China to allow "more flexibility" on the yuan exchange rate, and to support strong sanctions on Iran if the country continues to stall in talks over its nuclear program." Wall Street Journal: "Bernanke Warns Against Narrowing Fed Focus … Federal Reserve Chairman Ben Bernanke warned Wednesday that a Senate proposal to end the Fed's oversight of smaller banks would unwisely narrow the central bank's focus to the nation's largest financial institutions." Wall Street Journal: "Finra's Susan Merrill to Exit as Enforcement Chief … The executive hired by Wall Street to enforce its rules is stepping down after nearly three years in which the organization's disciplinary actions and fines against the brokerage industry have declined, the group said." Wall Street Journal: "For Banks, Change Is Coming … Two years after the Federal Reserve's \$30 billion rescue of Bear Stearns and 18 months after the market-churning bankruptcy of Lehman Brothers, Congress is lurching toward legislation to renovate the financial-regulatory system to reduce the risk of another devastating crisis." Wall Street Journal: "Volcker Wants Second Vice Chair at Fed … The latest Senate proposal to overhaul financial regulation includes a provision to create a second vice chairman of the Federal Reserve Board in Washington who would be directly responsible for bank supervision." Wall Street Journal: "Would Fed Become the 'Too-Big-To-Fail Regulator' … Federal Reserve Chairman Ben Bernanke on Wednesday pushed back against a Senate proposal to strip from the Fed oversight of smaller banks by warning House lawmakers that it would narrow the central bank's focus to giant firms." Wall Street Journal: "Sanders Raises Concerns on Dodd's Banking Bill … In a preview of what is likely to be a flurry of amendments from Democrats and Republicans on the bill to overhaul banking rules, Sen. Bernie Sanders (I., Vt.) on Wednesday said he would offer amendments on the Senate floor to "limit credit card interest rates and discourage" secrecy at the Federal Reserve, two populist issues that could roil the congressional debate." Wall Street Journal: "If You Liked Fannie and Freddie... Think ObamaCare for the financial system. That's one way to understand Sen. Chris Dodd's bill to reform financial regulation." Washington Post: "Sen. Dodd's regulatory rewrite … REGULATORY FAILURE alone did not cause the financial crisis." NY Times: "Fed Fights to Keep Oversight of Banks That Aren't Big … Officials at the Federal Reserve are trying to alter a Senate proposal that would focus the Fed's regulatory attention on the nation's biggest banks and strip away its powers over small and medium-size banks." LA Times: "Bernanke urges lawmakers not to slash Fed's regulatory authority … Federal Reserve Chairman Ben S. Bernanke told lawmakers Wednesday that regulatory failures by the central bank helped trigger the financial crisis, but that doesn't mean they should strip the agency of much or all of its oversight of individual banks." Washington Times: "SEC probing firms' actions ahead of '08 crisis … The head of the Securities and Exchange Commission confirmed Wednesday the agency is investigating several companies' actions in the run-up to the financial crisis of 2008." NY Daily News: "Rep. Bachus demands hearing on Lehman report, says Fed, SEC may have 'turned a blind eye' on fraud … A Republican lawmaker requested a congressional hearing on a bankruptcy examiner's report on Lehman Brothers Holdings Inc (LEHMQ.PK), saying the findings cast doubts on the Federal Reserve's supervisory role." Reuters: "House panel to explore Lehman examiner report … Democratic Representative Mary Jo Kilroy and Republican Representative Spencer Bachus requested the hearings in separate letters on Tuesday, with Bachus saying the report raised questions about whether the Federal Reserve's supervisory role should be expanded." POLITICO: "Left still wary of Wall St. bill … The first comment President Barack Obama made about the new financial reform bill offered by Senate Banking Committee Chairman Chris Dodd was a promise not to let it get watered down." The Hill: "Unions flex muscle with bank protests … Labor unions are flexing their muscle this month in scores of protests against the country's largest banks, which are lobbying heavily to influence financial overhaul legislation."